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SUBJECT: NEW PRO-DEAL VOICES EMERGE IN NUCLEAR LULL

¶1. (SBU) Summary: Despite the lack of forward movement on the U.S.-India civil nuclear cooperation initiative in recent weeks, political, business and religious proponents have emerged in India, revealing that the issue remains alive. Previously quiet Congress Party politicians have spoken in favor of the initiative, including in villages and state assemblies. Businesses have also stepped up, with the Delhi Cloth Mills Chairman drafting a six-page pro-deal tract and the Associated Chambers of Commerce and Industry of India (Assocham) holding a "brainstorming" session April 8 that gathered mostly nuclear advocates from the business and political communities. The Assocham meeting also set the stage for the All India Organization of Imams of Mosques General Secretary to make public his group's endorsement. While the Congress Party may have mobilized some of these backers, their continued support can only help buttress the UPA government's uphill battle to keep the nuclear deal alive. End Summary.

Congress Politicians Continue to Support the Deal

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¶2. (SBU) While observers wait for the next UPA-Left committee meeting in late April and the budget vote in early May, politicians have continued to express support for completing the civil nuclear initiative. Two Congress Party Members of Parliament (MP), Nikhil Kumar of the Lok Sabha (lower house) and Satyavrat Chaturvedi of the Rajya Sabha (upper house), added their voices during an April 8 "brainstorming" session sponsored by the Associated Chambers of Commerce and Industry of India (Assocham) in Delhi. After going through a more technical defense of the Hyde Act and 123 Agreement, Chaturvedi attacked the claim made by Communist Party of India (CPI) National Secretary D. Raja, whom Assocham invited to balance the discussion, that the nuclear initiative will compel India to lose its independent foreign policy. "When Nehru decided that India should become a member of the Commonwealth, people called it a 'back door for Britishers' and said that the Union Jack would be waving from rooftops everywhere in India," he recalled. He recounted that India retained the right not to endorse the Soviet invasion of Afghanistan despite the India-USSR Friendship Treaty concluded by Indira Gandhi. "Indian leadership has stood the test of time," he stated.

¶3. (SBU) BJP Member of the Delhi Legislative Assembly Vijay Jolly also exhorted support for the nuclear initiative. Although he conditioned his remarks as those of a "private citizen," he assailed the "non-seriousness" of the UPA government. He claimed that, contrary to its stated position

in Parliament, the BJP would not renegotiate the deal if it comes to power after the next general elections. "The misconceptions regarding the deal have been spread by those who do not want India to emerge as a global power," he maintained. Also straying from the BJP line, former President A.P.J. Kalam, a BJP appointee, went on record March 31 in support of the nuclear initiative. "The deal is important to meet the nation's energy needs," he told reporters.

#### Nuclear Issue Goes Local

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¶4. (SBU) Also speaking at the Assocham gathering, Congress MP Nikhil Kumar reported that his constituents in rural southern Bihar have unexpectedly asked him about progress on the nuclear initiative. "People say that villagers don't know the nuclear deal, but in my backward area, they know what this deal is all about," he related. He noted that the vernacular media has informed his constituents, "who asked me questions, and I was stunned -- I didn't realize they had so much knowledge." Concerned about the lack of electricity, his voters have demanded how much energy they would gain when the nuclear initiative comes through, to which Kumar responds that the Eleventh Plan provides for nuclear reactors in Bihar. "They are fed up with living in a society in which they have to depend on stealing power or relying on pumps that don't work half the time."

¶5. (SBU) The nuclear initiative also arose in the Tamil Nadu Assembly, during an April 3 debate about electricity grants. According to news reports, Congress MLA M.K. Vishnu Prasad said that despite the current "hue and cry" about the nuclear

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deal now, "even those opposed to it will accept it one day as a necessity." He accused the Left of having an "allergy towards the U.S." which has obstructed future technology transfers. Fellow Congress MLA D. Sudarshanam noted that even China had sealed a 123 Agreement with the U.S. CPI and Communist Party of India (Marxist) (CPM) MLAs dismissed the usefulness of the nuclear deal, and claimed that the U.S.-China deal had less conditions regarding China's foreign policy than the U.S.-India agreement.

#### Imams for Nukes

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¶6. (SBU) The Assocham gathering also provided the venue for the All India Organization of Imams of Mosques, which claims to represent half a million imams in India, to issue its support of the nuclear initiative. General Secretary Imam Umer Ahmed Ilyasi read a statement, later released to the press, that declared that "history has given us a chance and we must seize it. If international fuel is available, the cost of producing electricity will be reduced and will be in the affordable range." Ilyasi also pointed out that the nuclear initiative will help India emerge as a nuclear power and produce "optimum pressure on our neighboring country," which could help ease regional tension.

#### Business Also Joins Nuclear Bandwagon

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¶7. (SBU) The Assocham discussion, spurred by the release of a study titled "Liberating India from Technology Denial Regime," also marked greater involvement by India's business community in efforts to push the initiative forward. After refuting criticism about the Hyde Act and 123 Agreement, the study concludes: "What is at stake is not only nuclear energy, although that in itself is important. The Indo-U.S. nuclear agreement is about a much larger repositioning of India and it is particularly in the interest of Indian corporates to support an initiative that would expand their global opportunities." Assocham Chairman Venugopal Dhoot, who is also Videocon Industries Chairman, explained that

India "needs to have good relations with the U.S. in order to achieve 9-10 percent growth rate in the next decade."

¶8. (SBU) Assocham's efforts followed the individual initiative taken by industrialist Vinay Bharat Ram, Chairman of Delhi Cloths Mill Ltd, who released March 8 his own glossy six-page pamphlet titled, "Don't Let the Deal Die." Cited by Hindustan Times columnist and eminent commentator Khushwant Singh in his own April 5 defense of the nuclear initiative, Ram's tract advises the Congress Party to take the nuclear deal to the villagers. "Energy for each village is in sync with the familiar slogan of bijli (electricity), pani (water), and sadak (roads). Further, energy is the driving force for all three objectives. The message needs to be propagated that the purpose of this deal is to bring these benefits to every village."

Comment: Nuclear Issue Staggers On

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¶9. (SBU) While the nuclear debate in India has quieted, the emergence of new proponents, spread vertically from local to national politics, and horizontally through the religious, business and political communities, has kept the issue alive during the current period of government inactivity. The Congress Party may have orchestrated some of the pro-deal commentary, but some, particularly the anecdotal reports of local politics, has likely grown out of the constant and unavoidable media coverage. These new voices have given added weight to the opinion pieces still published regularly by commentators such as K. Subrahmanyam and Raja Mohan. While the simmering debate cannot thwart the Left's persistent anti-Americanism or sway the BJP's cynical skeptics on its own, it could buttress the Congress Party's efforts to defang the critics and advance the initiative without bringing the government down.  
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